STAND. COM. REP. NO. 1660

Honolulu, Hawaii

APR 1 9 2017

RE: H.C.R. No. 60 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred H.C.R. No. 60 entitled:

"HOUSE CONCURRENT RESOLUTION AUTHORIZING THE AMENDMENT OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT MAUNALUA, HONOLULU, OAHU, FOR THE MAINTENANCE AND REPAIR OF PORTIONS OF THE EXISTING CHANNEL, CONCRETE SURGE BREAK OR BREAKWATER, SEAWALL, STEP, AND FILLED LAND, AND FOR USE, REPAIR, AND MAINTENANCE OF THE EXISTING IMPROVEMENTS CONSTRUCTED THEREON,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the amendment of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 3-9-026: seaward of 044, 045, and 048, Maunalua, Honolulu, Oahu, for the maintenance and repair of the existing channel, concrete surge break or breakwater, seawall, step, and filled land, and for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources (Board) may lease submerged lands with the prior approval of the Governor

and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on November 16, 2001, under agenda item D-13, the Board approved a grant of a fifty-five-year non-exclusive easement to resolve the encroachments of the channel, concrete surge break or breakwater, seawall, and filled land identified in this measure. On April 25, 2008, under agenda item D-11, the Board approved an amendment to the easement to add square footage to the easement area, insert "step" as part of the purposes of the easement, and allow the easement to run with the abutting parcels.

Your Committee finds that a subsequent shoreline certification process in 2015 has shown an additional encroachment area of 3,503 square feet, more or less. On May 8, 2015, under agenda item D-14, the Board authorized the amendment of the easement by incorporating the additional encroachment area subject to an additional payment to the State of the fair market value of the easement as determined by an independent appraisal; the appraisal has since been completed, and the fair market value of the easement is \$130,000. Your Committee concludes that the easement is necessary for the maintenance and repair of the existing channel, concrete surge break or breakwater, seawall, step, and filled land, and for use, repair, and maintenance of the existing improvements constructed thereon.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that on November 16, 2001, the Board approved a grant of a fifty-five-year easement to Evershine VIII, L.P.;
- (2) Clarifying that the easement was issued in October 2003 for a lump sum payment of \$58,000;
- (3) Inserting the Board actions on January 14, 2005, consenting to the assignment of the subject easement from Evershine VIII, L.P. to Evershine II, L.P. and on April 25, 2008, authorizing the amendment of the easement to add square feet to the easement area, insert "step" as part of the purpose of the easement, and allow the easement to run with the land:

- (4) Correcting the additional area of the encroachment to be 3,503 square feet, more or less, pursuant to testimony received from the Department of Land and Natural Resources;
- (5) Inserting the Board action on May 8, 2015, approving an amendment to the easement by incorporating the additional encroachment area subject to payment of an additional consideration assessed at fair market value;
- (6) Amending its title to make a technical, nonsubstantive amendment; and
- (7) Making other technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 60, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as H.C.R. No. 60, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Water and Land,

KARL RHOADS, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral:			Date:	
HCR 60	WTL	WAN	4	04-12-2017	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
RHOADS, Karl (C)		V /			
GABBARD, Mike (VC)					1
INOUYE, Lorraine R.					
KIM, Donna Mercado					
THIELEN, Laura H.					V
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TOTAL					2
Recommendation: Adopted Not Adopted					
Chair's dr Designae's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					